

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANAGU 05009 311912Z

17

ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 RSC-01 /019 W

----- 030101

R 311845Z DEC 74

FM AMEMBASSY MANAGUA

TO SECSTATE WASHDC 5880

INFO AMEMBASSY GUATEMALA

AMEMBASSY TEGUCIGALPA

LIMITED OFFICIAL USE MANAGUA 5009

GUATEMALA FOR ROCAP

TEGUCIGALPA FOR ROCAP/HUD

E. O. 11652: N/A

TAGS: EFIN, NU

SUBJECT: GON SINGS NEW COMMERCIAL LOAN FOR \$30,000,000.

1. GIN SIGNED A LOAN FOR U.S. \$30 MILLION ON DECEMBER 17 FROM CONSORTIUM OF U.S. BANKS HEADED BY FIRST NATIONAL OF CHICAGO AND BANK OF AMERICA. TERMS OF LOAN WERE: INTEREST RATE ONE AND THREE-FOURTHS ABOVE LONDON INTERBANK RATE, SEVEN YEAR REPAYMENT PERIOD.

2. PRESIDENT SOMOZA TOLD AMBASSADOR THAT LOAN IS TO BE USED BY HOUSING BANK TO FINANCE DIFFERENCE BETWEEN TOTAL REPAIR COST FOR 17,000 EARTHQUAKE DAMAGED HOMES AND AMOUNT OF MONEY RECEIVED FROM INSURANCE COMPANIES FOR SUCH REPAIRS. SOMOZA SAID THAT NO ILI MONEY WAS AVAILABLE FOR THIS WORK.

3. WHEN ASKED, CENTRAL BANK PRESIDENT TOLD EMBOFF THAT CENTRAL BANK HAD NOT BEEN ASKED TO EVALUATE THIS LOAN. HOWEVER, PRESIDENT SOMOZA TOLD AMBASSADOR THAT REPAYMENTS WOULD NOT PUCH DEBT SERVICE/EXPORT RATIO ABOVE GON'S SELF-IMPOSED LIMIT OF 16 PERCENT.

SHELTON

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANAGU 05009 311912Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DISASTER RELIEF, COMMERCIAL LOANS, EARTHQUAKES
Control Number: n/a
Copy: SINGLE
Draft Date: 31 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MANAGU05009
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750002-0082
From: MANAGUA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974122/aaaaabjq.tel
Line Count: 60
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 27 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 JUN 2002 by boyleja>; APPROVED <30 DEC 2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GON SINGS NEW COMMERCIAL LOAN FOR \$30,000,000.
TAGS: EFIN, NU, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005